

Performance Through Last Week End

Best ↑ ↓ Worst	FTSE WGBI NonUSD Hdg USD 2.1	FTSE WGBI NonUSD Hdg USD 3.9	ICE BofA 1-3 M US Trsy TR USD 2.5
	S&P 500 TR USD 1.5	BBgBarc US Agg Bond TR USD 2.9	Wilshire Liquid Alternative TR USD -3.5
	BBgBarc US Agg Bond TR USD 1.4	S&P 500 TR USD 2.4	BBgBarc US Agg Bond TR USD -5.3
	ICE BofA 1-3 M US Trsy TR USD 0.1	MSCI ACWI Ex USA GR USD 1.6	FTSE WGBI NonUSD Hdg USD -6.2
	Wilshire Liquid Alternative TR USD -0.6	ICE BofA 1-3 M US Trsy TR USD 1.0	MSCI ACWI Ex USA GR USD -7.7
	S&P Global Property TR USD -1.1	Wilshire Liquid Alternative TR USD 0.0	S&P 500 TR USD -9.7
	Bloomberg Commodity TR USD -1.8	S&P Global Property TR USD -2.5	Bloomberg Commodity TR USD -15.0
	MSCI ACWI Ex USA GR USD -2.2	Bloomberg Commodity TR USD -8.1	S&P Global Property TR USD -21.0
		Last Week	Year-To-Date

The fallout from SVB continued last week as a \$30 billion deposit to First Republic Bank failed to stem its stock's freefall. A consortium of money center banks - JPMorgan Chase, Citigroup, BofA and Wells Fargo agreed to this hefty infusion in an effort to stop further contagion. Meanwhile, on the other side of the pond, UBS paid \$3 billion to take over Credit Suisse. That effort was put together by Swiss regulators as the banking crises engulfed Europe.

On a side note, one commentator last week described SVB's loan portfolio (which contained many early stage tech, life science and healthcare companies) as similar to sub-prime mortgages from the mid 2000's. Worse, these firms then deposited their uninsured, VC financed, cash back into SVB while the bank then held warrants in order to participate in any upside. One question: where were the regulators?

As one would expect, it was a volatile week in the capital markets. Yet domestic stocks were able to gain 1.5% while the bond market produced 1.4%. Overseas it wasn't as rosy as foreign stocks fell -2.2% while global property shares were down -1.1% and commodities -1.8%.

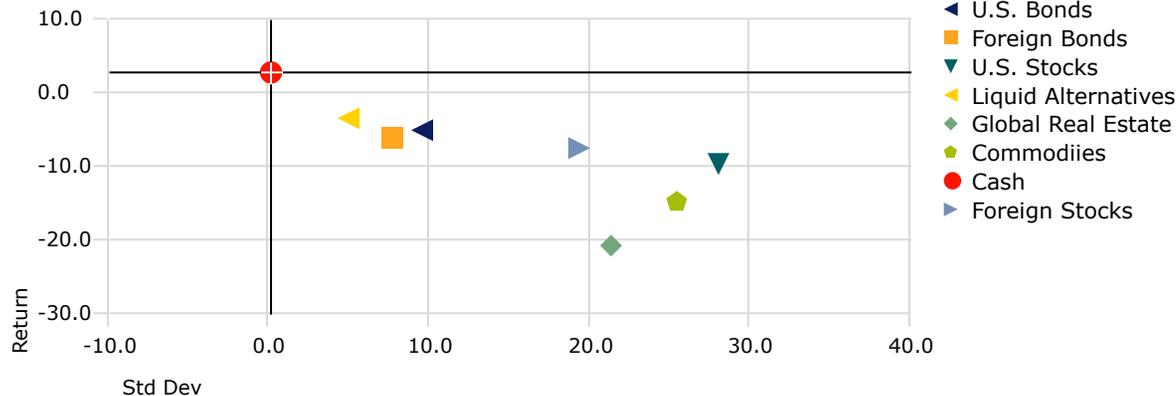
Looking ahead, all eyes will be watching the Fed's rate decision on Wednesday. Prior to SVB, the thought was a 25bp to 50bp increase while now many are betting for the Fed to stand down. Either move is fraught with risk and on that note, please enjoy your morning brew.

Economic Data	Current	Previous
GDP (QoQ) - Q4	2.7%	3.2%
Unemployment Rate - Feb	3.6%	3.4%
Consumer Confidence - Feb	102.9	106.0
CPI (YoY) - Feb	6.0%	6.4%
Core Retail Sales (MoM) - Feb	-0.1%	2.4%

Economic Calendar for the Week

Monday	No Significant Releases
Tuesday	Existing Home Sales
Wednesday	Crude Oil Inventories Fed Interest Rate Decision FOMC Press Conference
Thursday	New Home Sales (Feb) Initial Jobless Claims Building Permits
Friday	Core Durable Goods Orders (MoM) (Feb)

1 Year Risk-Reward



Bloomberg Barclays US Aggregate Bond TR USD

The index measures the performance of investment grade, U.S. dollar-denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM passthroughs), ABS, and CMBS. It rolls up into other Bloomberg flagship indices, such as the multi-currency Global Aggregate Index and the U.S. Universal Index, which includes high yield and emerging markets debt.

FTSE WGBI Non-USD Hedged USD

The index measures the performance of fixed-rate, local currency, investment-grade sovereign bonds of all WGBI countries except the United States and is stated in US dollar terms. It is a subset of Citigroup World Government Bond Index (WGBI).

S&P 500 TR USD

The index measures the performance of 500 widely held stocks in US equity market. Standard and Poor's chooses member companies for the index based on market size, liquidity and industry group representation. Included are the stocks of industrial, financial, utility, and transportation companies. Since mid 1989, this composition has been more flexible and the number of issues in each sector has varied. It is market capitalization-weighted.

MSCI ACWI Ex USA GR USD

The index measures the performance of the large and mid cap segments of the particular regions, excluding USA equity securities, including developed and emerging market. It is free float-adjusted market-capitalization weighted.

Wilshire Liquid Alternative TR USD

Wilshire Liquid Alternative Index aims to deliver a precise, broad market measure for the performance of diversified liquid alternative investment strategies that are implemented in mutual fund structures.

Bloomberg Commodity TR USD

The index measures the performance of future contracts on physical commodities which traded on US exchanges and London Metal Exchange. The commodity weightings are based on production and liquidity, subject to weighting restrictions applied annually.

S&P Global Property TR USD

The index defines and measures the investable universe of publicly traded property companies. The index is ideal for a range of investing activities, including benchmarking active funds and setting the foundation for passive funds. The S&P Global Property divides into two sub-indices: S&P Developed Property and S&P Emerging Property.

ICE BofA 1-3 Month US Treasury TR USD

Is an unmanaged index tracking 1-3 month U.S. government securities. The index is produced by Merrill Lynch, Pierce, Fenner & Smith, Inc.

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